

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of:)	
)	
Assessment and Collection of Regulatory)	MB Docket No. 16-166
Fees for Fiscal Year 2016)	
)	

COMMENTS OF SOMOS, INC.

Somos, Inc. (“Somos”) hereby submits these comments, pursuant to the Commission’s Notice of Proposed Rulemaking in the above-captioned proceeding.¹

Somos, formerly SMS/800, Inc., operates the SMS/800 platform for Toll-Free Number (“TFN”) administration for the North American Numbering Plan (the “SMS/800”). Pursuant to the Commission’s Order in CC Docket No. 95-155, WC Docket No. 12-260,² Somos is also the Toll-Free Neutral Administrator.

In FY 2015, for the first time, the Commission imposed an annual fee on Responsible Organizations (“Resp Orgs”)³ of 12 cents per reserved TFN. Somos worked closely with the Commission staff to ensure that the Resp Org community was aware of this new fee. While many Resp Orgs were already familiar with the Commission’s annual fees by virtue of the Resp

¹ *Assessment and Collection of Regulatory Fees for Fiscal Year 2016*, Notice of Proposed Rulemaking, MB Docket No. 16-166, released May 19, 2016 (*NPRM*).

² *Toll Free Service Access Codes*, CC Docket No. 95-155 and *Petition to Change the Composition of SMS/800, Inc.*, WC Docket No. 12-260, Order, 28 FCC Rcd 15328 (2013).

³ Resp Orgs are the entities that the Commission has designated to reserve TFNs in the SMS/800 on behalf of end users. See 47 CFR 52.101(b).

Org also being a wireline or wireless carrier, for a majority of Resp Orgs, this was the first time they were assessed an FCC Annual Fee.

Several Resp Orgs expressed concerns to Somos that, once the Commission instituted a fee on Resp Orgs, that the Commission would continue to increase that fee year after year, whether or not it correlated to the amount of time Commission employees spent on Toll-Free matters. Now that the Commission's annual fee collection NPRM includes an additional \$44 million dollars for moving expenses, along with an increase in the per-TFN assessment from 12 cents to 13 cents, this fear has come to fruition.

These fees are still very new to Resp Orgs, and some are still figuring out how to recover the fee. Somos understands that the Commission is raising rates across the board to cover a "one time amount of \$44,168, 497 to offset facilities reduction costs, i.e. to reduce our office space footprint and/or move the FCC office location, if necessary."⁴ In fact, the Commission is raising fees on average between 11 and 13 percent.

Somos, however, finds it troubling that the Commission's General Services Administration lease prospectus⁵ states that the new lease should reduce the Commission's rent by approximately \$11 million a year from \$34,658,703 a year to \$23,650,000. Taking that at face value, the one time amount the FCC is seeking is equal to just about two years of the newly-reduced rent. Assuming the Commission does not have other big-ticket initiatives planned, all annual fee payers should see significant reductions from FY 2016's fees in the coming years. Somos expects that the rate per TFN would be reduced back to 12 cents per TFN per year, or lower, starting in FY 2017.

⁴ NPRM at footnote 24, page 3.

⁵ See FCC's Lease Prospectus, *available at* <http://www.gsa.gov/portal/category/100435>.

As with any government fee, Somos is concerned that, once assessed, it will never be reduced. We hope that the Commission is true to their word and this increase is, indeed, a “one time” request and that Resp Orgs, and all FCC Annual Fee payers, will see a fee reduction in the very near future.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joel Bernstein". The signature is fluid and cursive, with the first name "Joel" being more prominent than the last name "Bernstein".

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